

Technical Corrections Act of 1999 would do is remove the State formula caps. The caps were put in place in order to ensure equitable distribution of funds, but resulted in just the opposite. By removing the cap, we will be ensuring that all States have access to the program.

By allowing lenders with successful loan portfolios to make more loans and to provide additional technical assistance, today's legislation will only help more microenterprises grow. Providing additional technical assistance to businesses will enable entrepreneurs who are on the threshold of moving forward the opportunity to do so.

Finally, the microloan program has proved invaluable in helping America's small businesses to grow. This bill will give those businesses in these communities access to increased resources to help them grow and further expand. I am indeed pleased that we are moving quickly to pass this crucial legislation, and that we are looking for ways to improve this important program.

Mr. Speaker, I think this is indeed a tremendous piece of legislation that has been brought to us very early in this session. Again, I would commend the gentleman from Missouri (Chairman TALENT) and the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ) for the expeditious manner in which they have acted.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TALENT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will close by saying I appreciate very much the gentleman's kind words. I really should emphasize what he is saying. This program is very important to the smallest of our entrepreneurs, those just getting started. In many cases, these are folks who are moving off of lives in some cases of dependency into lives of entrepreneurship. They are the people who need these small loans.

In order to make this program work we have to correct this misperception, as well as make some other technical corrections. So it is a very important bill. I thank the gentleman for his support, and I urge my colleagues to support H.R. 440.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri (Mr. TALENT) that the House suspend the rules and pass the bill, H.R. 440, as amended.

The question was taken.

Mr. TALENT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

PAPERWORK ELIMINATION ACT OF 1999

Mrs. KELLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 439) to amend chapter 35 of title 44, United States Code, popularly known as the Paperwork Reduction Act, to minimize the burden of Federal paperwork demands upon small businesses, educational and nonprofit institutions, Federal contractors, State and local governments, and other persons through the sponsorship and use of alternative information technologies.

The Clerk read as follows:

H.R. 439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Paperwork Elimination Act of 1999".

SEC. 2. PROMOTION OF USE OF ELECTRONIC INFORMATION TECHNOLOGY.

Section 3504(h) of title 44, United States Code, is amended by striking "and" after the semicolon at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting ";; and", and by adding at the end the following:

"(6) specifically promote the acquisition and use of alternative information technologies that provide for electronic submission, maintenance, or disclosure of information as a substitute for paper and for the use and acceptance of electronic signatures."

SEC. 3. ASSIGNMENT OF TASKS AND DEADLINES.

Section 3505(a)(3) of title 44, United States Code, is amended by striking "and" after the semicolon at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ";; and", and by adding at the end the following:

"(D) a description of progress in providing for the acquisition and use of alternative information technologies that provide for electronic submission, maintenance, or disclosure of information as a substitute for paper and for the use and acceptance of electronic signatures, including the extent to which such progress accomplishes reduction of burden on small businesses or other persons."

SEC. 4. FEDERAL AGENCY RESPONSIBILITIES.

(a) PROVIDING FOR USE OF ELECTRONIC INFORMATION MANAGEMENT.—Section 3506(c)(1)(B) of title 44, United States Code, is amended by striking "and" after the semicolon at the end of clause (ii) and by adding at the end the following:

"(iv) provides to persons required to submit information the option to use, where appropriate, electronic submission, maintenance, or disclosure of information; and"

(b) PROMOTION OF ELECTRONIC INFORMATION MANAGEMENT.—Section 3506(c)(3)(C) of title 44, United States Code, is amended by striking "or" after the semicolon at the end of clause (ii), by adding "or" after the semicolon at the end of clause (iii), and by adding at the end the following:

"(iv) the promotion and optional use, where appropriate, of electronic submission, maintenance, or disclosure of information."

(c) USE OF ALTERNATIVE INFORMATION TECHNOLOGIES.—Section 3506(c)(3)(J) of title 44, United States Code, is amended to read as follows:

"(J) to the maximum extent practicable, uses information technology, including alternative information technologies, that provide for electronic submission, maintenance,

or disclosure of information, to reduce burden and improve data quality, agency efficiency, and responsiveness to the public."

SEC. 5. PUBLIC INFORMATION COLLECTION ACTIVITIES; SUBMISSION TO DIRECTOR; APPROVAL AND DELEGATION.

Section 3507(a)(1)(D)(ii) of title 44, United States Code, is amended by striking "and" after the semicolon at the end of subclause (V), by adding "and" after the semicolon at the end of subclause (VI), and by adding at the end the following:

"(VII) a description of how respondents may, if appropriate, electronically submit, maintain, or disclose information under the collection of information."

SEC. 6. RESPONSIVENESS TO CONGRESS.

Section 3514(a)(2) of title 44, United States Code, is amended by striking "and" after the semicolon at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ";; and", and by adding at the end the following:

"(E) reduced the collection of information burden on small businesses and other persons through the use of electronic submission, maintenance, or disclosure of information as a substitute for the use of paper, including—

"(i) a description of instances where such substitution has added to burden; and

"(ii) specific identification of such instances relating to the Internal Revenue Service."

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Mrs. KELLY) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House considers H.R. 439, the Paperwork Elimination Act of 1999. This is legislation that is not new to the House. In both the 104th Congress and the 105th Congress virtually identical legislation was considered and overwhelmingly passed. In the 104th Congress, the House passed this bill by a vote of 418 to zero. In the 105th Congress, the House passed this bill by a vote of 395 to zero. I certainly hope we can continue this trend this afternoon.

Before I take a moment to explain the bill, I would like to thank my colleague, the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Committee on Small Business, as well as the rest of my friends on the Democratic side, for their help in moving this legislation forward. The ranking member and her staff have been very cooperative, and deserve much of the credit for bringing this legislation to the floor.

Mr. Speaker, paperwork burdens are literally strangling the productivity of our Nation's economy, particularly small businesses. Consider the fact that in 1996 the government-wide burden hour estimate reached 6.7 billion hours. That means that Americans spent 6.7 billion, that is "billion" with a "B", filling out paperwork required by the Federal Government. That figure is up almost 350 percent from the 1.5 billion burden hour estimate in 1980.

As I said a moment ago, paperwork burdens impact our Nation's small businesses particularly hard. A recent study indicated that for companies with fewer than 20 employees, complying with paperwork requirements cost an average of \$2,017 per employee per year. For companies with 20 to 499 employees, our small businesses, that cost was almost as much.

For these companies, complying with paperwork requirements cost an average of \$1,931 per employee per year. But for companies with 500 employees or more, the costs were much lower. For these companies, complying with paperwork requirements cost an average of \$1,086 per employee per year. Clearly, for the sake of our Nation's small businesses, we need to start reducing the overall burden of complying with federally-mandated paperwork.

One of the ways in which we can do this is to enable the Federal Government to take advantage of the Information Age. The Committee on Small Business has recognized the need to encourage the Federal Government to utilize new information technology to reduce the public costs of meeting the Federal government's information needs. Nowhere is this need more acute than in the small business community.

Because small businesses typically do not have the resources to hire employees whose explicit purpose is to deal with paperwork and regulatory requirements, there is a specific need to allow these small businesses, as well as other taxpayers, with access to computers and modems to use them when dealing with the Federal Government. That is the goal that the Paperwork Elimination Act of 1999 is intended to accomplish.

Let me briefly run down exactly what is contained in this legislation. First, it specifically requires the Director of the Office of Management and Budget, the OMB, to promote the acquisition and use of electronic transmission of information as a substitute for paper when small businesses and individuals are required to comply with the information needs of the Federal Government.

Second, it requires the director of OMB to include in the government-wide resources plan that is already maintained a description of progress in providing for the acquisition and use of alternative technologies that provide for electronic transmission of information.

This report is also to include the extent to which the paperwork burden on small businesses and individuals has been reduced as a result of using this technology.

Third, it clearly states the new responsibilities of each Federal agency. It specifically requires each Federal agency to provide the option of electronically transmitting information when complying with their regulations and other information needs.

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It also requires each Federal agency to certify to the director of OMB that each collection of information it undertakes has reduced paperwork burdens to the greatest extent possible, particularly on small entities, by allowing for the electronic transmission of data.

Fourth, it prohibits each Federal agency from collecting information until it has first published a notice in the Federal Register describing how respondents may, if they choose, submit the required information electronically.

Finally, it requires the director of OMB, when reporting to Congress, to include a report on how paperwork burdens on small businesses and other persons have been reduced by using electronic transmissions of information as a substitute for paper. Furthermore, it requires this report to describe any instances where the use of electronic transmission of information has added to paperwork burdens and specific identifications of instances relating to the Internal Revenue Service.

Mr. Speaker, before I conclude my statement, I do wish to clarify two items. First, I want to stress that any requirements imposed by this legislation fall on the Federal Government. It is the Federal Government that is required to provide the option of using electronic names to transmit information. No small business or individual will be required to use electronic means to transmit information to the government if he or she does not wish to.

The second item I wish to clarify is how H.R. 439 differs from previous versions of the Paperwork Elimination Act. As I indicated earlier, in both the 104th and 105th Congresses, the House passed by unanimous votes virtually identical versions of H.R. 439. The version that we are considering today has been changed only slightly to reflect a small portion of last year's bill that was included in the Omnibus Appropriations Act, Public Law 105-277, and signed into law. What we are doing today is considering the remaining portions of legislation already passed by the House in previous Congresses but which did not get signed into law. This complements the provision enacted last year and strengthens the underlying statute.

In conclusion, Mr. Speaker, H.R. 439 is not controversial legislation. It is virtually identical to legislation that this House has repeatedly and overwhelmingly passed. I would like to thank the gentleman from Missouri (Mr. TALENT) for his tireless work on this legislation. I would also like to thank once again the gentleman from New Jersey (Mr. PASCRELL), the ranking member; the gentlewoman from New York (Ms. VELÁZQUEZ); and the entire Committee on Small Business and

their staffs for the bipartisan work on this legislation. I urge all of my colleagues to support the legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. PASCRELL. Mr. Speaker, I yield myself such time as I may consume, and I wish to thank the gentlewoman from New York, our subcommittee chairperson.

Mr. Speaker, as the ranking member on the Subcommittee on Regulatory Reform and Paperwork Reduction of the Committee on Small Business, I rise today to encourage quick passage of the Paperwork Elimination Act of 1999. I believe it is an outstanding piece of legislation that enjoys overwhelming bipartisan support.

During my tenure in the New Jersey legislature, Mr. Speaker, I was on the committee that recommended a reduction in unnecessary regulations, and I think that is one of the reasons why we are here. It is stated in our purpose of being. I believed then, as I do today, that reducing bureaucratic redtape is essential to unlocking the great potential of our small businesses. This will be the third consecutive Congress that this measure was considered. Unfortunately, on the two earlier occasions, the Senate failed to act. I hope as the 106th Congress gets underway, the Senate will join us in passing this legislation and sending it to the President for his signature. It is long overdue, Mr. Speaker.

Small businesses are powerful job creators, both in New Jersey and throughout this great land. Efforts should be made to increase their profitability and productivity, not hinder them, and that is exactly what this common sense measure does.

The importance of small businesses cannot be emphasized enough. The fact is that they are the backbone of our economy. My State of New Jersey is a great example. Of the 213,000 full-time business firms with employees in our State, 98.5 percent are small businesses. The income of small businesses, including sole proprietors and partnerships, rose 4½ percent to \$16.4 billion in 1998.

Small businesses in any State are leading our economic growth, particularly in the last 4 or 5 years. Of the over 17 million new jobs created over the past 6 years, close to 80 percent have come not from our Fortune 500 companies, but from those small businesses that we see in our neighborhoods, day in and day out.

Despite this growth, the problem of redtape is clear. It has been estimated, and the gentlewoman from New York pointed out quite succinctly, that the American public spends an amount of time and effort equal to \$510 billion, 9 percent of the gross domestic product, in order to meet the Federal Government's information needs. To suit our purposes, what we require in paperwork now amounts to 9 percent of the

gross domestic product. I find that to be quite unbelievable, but true.

Small businesses bear a disproportionate share of these costs. To use an extreme example, some small businesses are required to file forms with up to 50 different Federal, State and local agencies. We think we understand what that means, and I think I do, but no one understands it unless they are a small businessperson doing it. That is an incredible fact of life.

That is one of our purposes for being here, is to shrink the arm of government. It is too long, goes into our productivity, and goes into the profits of small businesses. These bureaucratic demands can literally strangle a small business. The small business entrepreneur needs to focus on expansion, customer service and the bottom line, not on filling out paperwork for hours upon hours to keep some other bureaucrat in business.

The aim of this Paperwork Elimination Act is to maximize economic growth by minimizing the burden of Federal paperwork demands. It does this through the use of electronic information technology. The bill before us will reduce this burden by requiring all Federal agencies to provide the option of electronic submission of information to all those who must comply with Federal regulations.

As we approach the 21st century, the technological advances that are now commonplace in the private sector should be an integral part of the way our Federal agencies do business. It is important to remember that the measure will in no way hinder the ability of small businesses and individuals without access to computers or modems to comply with Federal paperwork requirements. The measure merely requires Federal agencies to provide an electronic option to those who desire it. This legislation is not a mandate on small business and there is no requirement that a small business needs to computerize. This is a win-win situation for everyone involved.

Small businesses, Mr. Speaker, play a critical role in our economy and have been an integral part of the economic growth we have enjoyed in recent years. Before us is sound legislation which allows small businesses to focus on job creation, to focus on productivity, and to focus on expansion while bringing the Federal Government into the information age. I strongly urge my colleagues to support this legislation.

I want to commend the chair of our subcommittee, and the overall chair, the gentleman from Missouri (Mr. TALENT).

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, first of all, let me thank the gentleman from New Jersey for yielding this time

to me. I would also like to thank the committee for entertaining the idea that resources and technical assistance should be made available to what I call micro businesses, that is small barber-shops, beauty parlors, restaurants, and other businesses that may not have the resource on site to file electronically.

Mr. Speaker, I rise today in support of the Paperwork Elimination Act of 1999, introduced by the gentleman from Missouri (Mr. TALENT). Two years ago Congress passed the Paperwork Reduction Act, which mandated fixed percentage cuts in paperwork burden over the next few years. We passed that legislation to unleash our Nation's small businesses from the colossal amounts of paperwork which we know that they face. H.R. 439 intends to lessen some of the burden.

Today, technological advances have improved our travel time to and from and made trade and money almost effortless. I ask why not apply the same technology to help our Nation's 22 million small businesses? This legislation urges the Federal Government to disseminate and receive information electronically, where appropriate, thereby increasing responsiveness. It will minimize the Federal paperwork burden of individuals, small businesses and State and local governments. It will maximize the usefulness of information collected by the Federal Government, and will minimize the costs carried by the Federal Government of collecting, maintaining, using and distributing information.

Again, I join with those who are in favor of this legislation. I think it is obviously an idea whose time has come, and I am certain, without a doubt, that all of the small businesses in America, especially those who labor spending as much time filling out forms as they do trying to make money, will rise up and say to this Congress, well done.

Mr. PASCARELL. Mr. Speaker, I yield myself such time as I may consume. I want to thank the Speaker for indulging us, and thank the gentlewoman from New York (Mrs. KELLY) and also the ranking member, the gentlewoman from New York (Ms. VELÁZQUEZ).

One final point, Mr. Speaker, if I may. We have had three bills from out of the Committee on Small Business, all bipartisan. I think this is an example of the direction we should be going, and if we can do it, everybody else can do it. So I salute the majority party and I salute the chairman and subcommittee chairs for doing this. I think this is very important; significant. Not only the bill itself, Mr. Speaker, but what we are attempting to do in our committee.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. KELLY. Mr. Speaker, I yield myself the balance of my time.

Let me conclude by saying that this legislation is consistent with what the House has passed in previous Congresses. I urge everyone to support this bill, and I am delighted to have those kind words from my colleague from New Jersey.

Mrs. KELLY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentlewoman from New York (Mrs. KELLY) that the House suspend the rules and pass the bill, H.R. 439.

The question was taken.

Mrs. KELLY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mrs. KELLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 439 and H.R. 440.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

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MISCELLANEOUS TRADE AND TECHNICAL CORRECTIONS ACT OF 1999

Mr. CRANE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 435) to make miscellaneous and technical changes to various trade laws, and for other purposes.

The Clerk read as follows:

H.R. 435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Miscellaneous Trade and Technical Corrections Act of 1999".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title.

TITLE I—MISCELLANEOUS TRADE CORRECTIONS

Sec. 1001. Clerical amendments.

Sec. 1002. Obsolete references to GATT.

Sec. 1003. Tariff classification of 13-inch televisions.

TITLE II—TEMPORARY DUTY SUSPENSIONS AND REDUCTIONS; OTHER TRADE PROVISIONS

Subtitle A—Temporary Duty Suspensions and Reductions

CHAPTER 1—REFERENCE

Sec. 2001. Reference.

CHAPTER 2—DUTY SUSPENSIONS AND REDUCTIONS

Sec. 2101. Diiodomethyl-*p*-tolylsulfone.